

ED 398 369

CE 070 973

TITLE Change Process in Organizations [in HRD].
PUB DATE Mar 95
NOTE 38p.; In: Academy of Human Resource Development (AHRD) Conference Proceedings (St. Louis, MO, March 2-5, 1995); see CE 070 958. For other conference symposia, see CE 070 959-981.
PUB TYPE Speeches/Conference Papers (150)
EDRS PRICE MF01/PC02 Plus Postage.
DESCRIPTORS Adult Education; Change Agents; Dislocated Workers; Employee Attitudes; Employer Attitudes; *Employer Employee Relationship; Employment Practices; Ethics; Human Resources; *Interpersonal Communication; *Labor Force Development; On the Job Training; *Organizational Change; Self Actualization; *Total Quality Management; Work Attitudes

ABSTRACT

These four papers are from a symposium that was facilitated by Toni Powell on the change process in organizations at the 1995 Academy of Human Resource Development (HRD) conference. "The Effectiveness of Change Agents as Affected by Strategic Interactions" (Marie A. George) explores the nature of strategic interactions exhibited by a chief executive officer towards designated internal change agents within several subsidiary organizations, including a hospital, long-term care facility, and home health agency. "TQM (Total Quality Management) Binds: Failed Quality Initiatives" (Tom J. Shindell, Garry L. McDaniel) analyzes two case studies to illustrate paradoxes in TQM implementation and suggests strategies to avoid them. "The Implications of Delay in the Organizational Change Process" (Jenny Auger Maw) is an exploratory study showing that productivity and morale were negatively affected by responses to delay in organizational change at executive, manager, and employee levels and suggesting proactive planning and clear, open communications as two key ingredients to the successful management of delay in the organizational change process. "Journey from Satisfaction to Performance: Becoming a World-Class HRD Business Partner" (Timothy R. McClernon) presents an overview of the transition of the training department of a large national health care company from a traditional role as a training and development support function to a human resource development process measured by actual business impact. (KC)

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ACADEMY OF HUMAN RESOURCE DEVELOPMENT

1995 Conference Proceedings

**March 2-5, 1995
St. Louis, MO**

- [16] **CHANGE PROCESS IN ORGANIZATIONS** Facilitator: Toni Powell, Barry University
The Effectiveness of Change Agents as Affected by Strategic Interactions
 Marie A. George, University of Scranton
TQM Binds: Failed Quality Initiatives
 Tom J. Shindell, Texas Department of Health
 Garry L. McDaniel, Advanced Micro Devices
The Implications of Delay in the Organizational Change Process
 Jenny Auger Maw, Hillcrest Healthcare Corporation
Journey from Satisfaction to Performance in HRD: Becoming a World-Class Business Partner
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The Effectiveness of Change Agents as Affected by Strategic Interactions

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This action research study explored the nature of strategic interactions exhibited by a Chief Executive Officer towards designated internal change agents within several subsidiary organizations including a hospital, long term care facility and home health agency. A systemic pattern emerged whereby internal change agents were engaged in a fluctuating pattern of influence and then lack of influence. This pattern was effectuated by the CEO and progressed through a four stage process. As this strategic interaction was identified and discussed, new learning and behaviors were introduced within the organization.

The role of executive leadership has vital importance to any organizational change process. Much has been written concerning the many challenges that organizational change brings to leaders and conversely the challenge they must bring to the organization through their vision, words and actions (Bennis, 1989; Bennis and Nanus, 1985; Gardner, 1990; Kouzes and Posner, 1987). However, they can't do it alone and the support and cooperation of others becomes essential. As organizational leaders embark on their journeys of change, those designated internal change agents who take on the charge to plan and implement new initiatives become significant players. Change agents need to be aligned with and empowered by top management otherwise their ability to effectively influence change will be restrained. (Kantor, 1983; Senge, 1990)

This case study addresses the interplay between designated agents of change and executive leadership, specifically a Chief Executive Officer (CEO) within a health care organization. This interplay, when viewed systemically, was neither unique nor confidential but rather patterned and widely broadcasted to organizational members.

The Setting

The traditional ways of providing health care within a hospital setting are being replaced with outpatient services, home health services and when necessary extended care. Concern for costs now replace a regulated industry and informed patients cry out for quality care which is affordable and accessible. The need for effective leadership is paramount as the challenges of orchestrating change beckon. (Prezzano, 1992)

A New CEO Brings Change. Prior to the start of this study, a serious effort to change a health care system was well underway. Organizational structures were altered as the acute care setting now shared the stage with a thriving home health care subsidiary and an expanding long term care facility. A progressive, high energy CEO was hired to tackle the challenges presented by health care in general, and specifically to change a passive work culture dominated by hierarchical control to an involved and reflective work environment.

Within the organization, progress was occurring as decisions were increasingly being made by first line supervisors rather than at middle or top management levels. Attempts to involve employees and physicians, intra- and interdepartmentally, were now underway. Teamwork, a familiar word in health care, was taking on new meaning.

Internal Change Agents Identified. The CEO had a cautious respect for outside consultants instead emphasizing the need for organizational members at all levels to own, understand and influence the process of change. Initially, only the executive team members (n=6) were the designated agents of change, this however was changing as new leaders were being identified to lead various change initiatives. For example, a radiology technologist was leading an interdepartmental team to reduce the waiting time for outpatients requiring more than one diagnostic procedure.

Rationale for the Study

From a strategic planning perspective, the organization was concerned with two initiatives that had cultural change implications. First was the need to improve productivity, a concept foreign to health care organizations. (Chapman 1993) Extensive training and consultative efforts were put forth to assist departmental managers in developing baseline data to monitor and evaluate the efficiency and effectiveness of their operations. Second, decentralization was constantly emphasized as middle and first line managers were now responsible for planning and budgeting functions, including productivity improvement measures. Decentralization initiatives were now extending and expanding to include non-managerial employee involvement both intra- and interdepartmentally. After two years into this process of change, innovative ideas and actions were coming forth, some meeting success and others failing. To encourage risk taking, the CEO repeatedly used the phrase that "it is better to ask forgiveness than wait for permission", therefore failures became opportunities for further investigation and learning. As failures were encountered, designated change agents followed up by engaging in discussions to identify organizational barriers that may have inhibited change initiatives. The outcomes of these follow-up discussions many times evidenced underlying problems that required corrections, for example sabotage efforts by physicians or union stewards. These were some of the most challenging of change efforts and change agents had varying degrees of success at different times.

The hospital or acute care facility experienced the most resistance to change. Despite the growing number of employees involved in change initiatives, maintenance of the status quo was still normative. Change agents were becoming frustrated, some had already left the organization either by choice or involuntarily. The CEO requested a formal study of the hospital setting aimed at identifying barriers to change and planning appropriate interventions.

Methodology

An ethnographic perspective guided the inquiry into this study where the predominate means of gathering data were through observation and interviews. I had access to the site as a participant observer in the role of Corporate Vice President, Human Resources.

An Open Ended Paradigm. Schatzman and Strauss (1973) set forth an open ended paradigm which allows naturalistic studies to progress through a series of phases that alternate data gathering and analysis. When utilizing this model an initially broad base of collected data from the hospital gradually became more focused and ultimately very selective to the needs of the study. Geertz (1973) stresses the importance that patterns within social discourse, or "thick description", have in leading the way to interpretive study. This study, therefore was inductive in its approach to gathering data and generative in its attempt to assign meaning to collected data.

The Initial Phase. Field notes, during this phase, were based upon observation of interactions of employees that were involved in planning and implementing change. The specific situations

observed were a result of an ever unfolding series of events that were not predetermined. The majority of the observations were in the context of formally arranged meetings or training sessions. My perception of the meaning assigned to group observations was then triangularized through individual interviews and small group discussions, usually informal in nature. (Agar, 1980)

Questions that were posed to data collected during this initial phase included:

- A. How is change introduced?
- B. Who are the change agents?
- C. What occurs when groups of employees are planning for or implementing change?
- D. What stimulates the change process to occur?
- E. What restrains the change process from occurring?

The initial phase of the study was three months in length.

The Focused Phase. Based upon an analysis of data gathered in the initial phase, a funnel effect was produced in which selective attention was given to an interactional pattern between change agents and the CEO. Questions during this phase included:

- A. What norms are guiding or hindering the process of change?
- B. What occurrences or interactions appear to indicate failure or success toward organizational change?
- C. How do change agents become empowered?
- D. What distinctions can be made among executive, managerial, or staff involvement in change initiatives?

The focused phase of the study was two months in length.

Results

Throughout the hospital, employees at all levels believed that change was being inhibited by the "execs". Since the majority of the change agents were members of the executive team, data gathering and analysis gradually began to focus more closely on the "execs". After monitoring many discrete actions and activities, a pattern emerged. The CEO appeared to initiate or trigger a pattern which progressed through four stages.

The First Stage. During this stage an internal change agent was identified or introduced by the CEO to the hospital at which time clear statements of empowerment were made. Empowerment at this stage went beyond the scope of assigned responsibilities, thereby giving the change agent widespread access and authority. The change agent responded with confidence, eagerly addressing high risk challenges such as "taking on the docs" and successful change initiatives frequently resulted.

The Second Stage. Again initiated by the CEO, the change agent was chided behind closed doors as to his/her expansive influence within the hospital. Change agents gradually began restricting their actions to conform to formally assigned responsibilities. Mixed signals were now being given throughout the hospital. In some change initiatives, the change agent was successful and in others failure was met.

The Third Stage. The CEO's statements concerning and presence with the change agent was now noticeably absent. The hospital now had clearer signals; this change agent no longer has the influence to affect change. The change agent was now frustrated, failure after failure ensued. The change agent became concerned with identifying barriers to organizational change.

The Fourth Stage. At this stage the CEO would openly comment on the failure and ineffectiveness of the change agent. Similarly, the change agent acknowledged the lack of influence in affecting change and began withdrawing from the role as an internal change agent. Employment usually was discontinued at this time or if remaining employed, he/she became occupied with maintenance level functions and activities, such as generating reports and documents required for accreditation agencies.

Implications for Organizational Learning

The results of the study were first shared with the CEO and then with his executive team. This sparked candid discussions around the question, "What do we do to each other to enable or constrain our work?". The fact that what they 'did to each other' was known throughout the hospital was the most difficult for the executives to accept. A sense of embarrassment was expressed. The most significant outcome emerging from these discussions was an increased degree of candor and honesty being introduced into their communications thereby enabling double loop learning (Argyris, 1982) or deuterolearning (Bateson, 1972) to occur. At the conclusion of this study the question, "What do we do to each other?" was being asked and answered elsewhere in the hospital. An "unfreezing" that Lewin (1951) and others (Argyris, 1990; Schon 1983; Watkins and Marsick, 1993) describe was facilitating learning that extended beyond the more conventional ways of assigning meaning.

A Framework for Analysis

Goffman (1969) provides insight into interactional patterns that have a gamelike quality to them. The initial "move" is of considerable importance and triggers a response on the part of another. Mutual assessment is operative, going beyond expressive communication, in such interactions resulting in an enabling or constraining of another. Such patterns, identified as "strategic interactions" also serve to monitor social norms. The presence of such interactional patterns within an organization will have significance in any change process in which cultural norms are being influenced. The existence of the CEO-change agent interactional pattern that emerged from this study appears to have many of the qualities that Goffman associated with a strategic interaction. The underlying values communicated become relevant in planning and implementing change, particularly when old norms are reinforced, thereby cancelling out new initiatives towards normative change.

Implications for Further Study

The process of change has been and continues to be studied from various perspectives in a collective effort to increase the body of knowledge available to those committed to creating a learning organization. The further study of strategic interactions within the context of transformational change may be another perspective that can contribute to this knowledge base. Some questions that may need to be explored include:

1. Is the presence of an executive level strategic interaction related to the continuation of a centralized organization?
2. When does a strategic interaction accelerate or retard the change process?
3. Can organizational learning be enhanced through the presence of an effective strategic interaction?
4. Do strategic interactions involve other than change agents and the CEO?

Implications for This Study and Conclusion

Historically, the medical and allied health professions have been strongly influenced by positivism. This empirical viewpoint has made its firm imprint upon the organizational culture of a hospital. Correspondingly the hospital's "implicit curriculum" has been affected which serves to guide the learning process (Eisner, 1979). The implicit curriculum teaches the values of the hospital in a tacit manner (Polanyi, 1967). Hospitals therefore no longer just alter the expressive curriculum which includes the discussable and acceptable. The tacit or implicit must be raised to awareness, then thoughtfully and humanistically changed.

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TQM BINDS: FAILED QUALITY INITIATIVES *

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This paper presents and examines the concept of a "TQM Bind." The data analysis techniques of Chris Argyris' action science are employed, and a definition and two case studies of TQM binds are presented. Visualizing TQM Binds through mapping is demonstrated, and suggestions and strategies for avoiding TQM Binds are offered.

Introduction

Total Quality Management (TQM) promises those organizations who implement its principles increased quality and productivity as well as reduced cost, re-work, scrap, and production time (Crosby, 1984). TQM espouses attainment of these higher levels of efficiency and effectiveness through systemic measurement (Scherkenbach, 1991) and partnering with customers to identify problems or variances in work processes which are continually improved. The promise and allure of TQM is quite clear. Envision and improve. Measure and fix. However, many organizations which attempt to implement TQM often fall significantly short of their desired goals. Why?

Problem Statement

As organizations attempt to reap the benefits promised by the proponents of TQM, they often produce outcomes they do not intend. Moreover, organizations implementing TQM with some success often find it is "short-lived" or sporadic.

A study of the TQM initiatives in 528 companies by Ernst & Young found that many organizations spend too much time focusing on small problems, often "trying to do things that don't really matter to them," and setting unreasonable (and ultimately frustrating) goals based on benchmarking (Fuchsberg, 1992). Some experts suggest that quality initiatives do not succeed for reasons such as failing to focus on the most critical business processes, failure to align resources to support long-term improvement efforts, and failure to view the improvement effort as being integral to the strategic goals of the organization (Erickson, 1992).

To analyze further TQM implementation failure two questions are explored in this paper: 1) What accounts for the failure of TQM initiatives beyond the readily observable and frequently documented causes identified by Fuchsberg, Erickson, etc., and 2) What can organizations do to reduce the failure potential of their TQM initiatives?

* The quality initiatives presented in this paper are not drawn from the authors' current employers.

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Significance

When organizations do not reap the intended benefits promised by implementing TQM, the entire organization is seriously affected (not attaining the desired outcomes of higher quality, lower cost and greater efficiency, etc.) Any mitigation of failure can reduce the potential negative consequences of inappropriate TQM implementation.

Theoretical Framework

The fundamental principles of total quality management and select theories of Chris Argyris' action science provide the theoretical framework for this study.

Total Quality Management. The "quality revolution" has been underway long enough so that the basic tenets of the TQM philosophy and implementation strategies have been defined. Briefly, Total Quality Management is a management approach to long term organizational success based upon a focus on customer satisfaction and the participation of all employees in improving processes, products, services and the culture in which they work (Zemke, 1993). Three individuals in the field of quality improvement - W. Edwards Deming (1989), Joseph M. Juran (1988), and Philip B. Crosby (1984) - are widely accepted as content experts. While each theorist has his own model for quality improvement, each model includes the same five basic elements frequently included in the TQM plans of organizations.

- * *Obtain Commitment by Top Management* - Organizations must ensure top management understands and models the principles of TQM.

- * *Educate All Employees* - Organizations must provide the education and training needed not only for top executives and managers, but also for employees to understand, utilize and enact the tools, techniques and principles of TQM.

- * *Remove Barriers to Teamwork and Cooperation* - Organizations must foster teamwork and eliminate barriers which encourage individuals and departments to compete rather than cooperate with each other.

- * *Integrate Quality as Part of Work Processes* - Organizations cannot rely on inspections to catch errors. Rather, continuous process improvements are necessary to eliminate errors with process improvements as the focus of corrective efforts.

- * *Establish and Maintain Long-Term, Win-Win Relationships Between Employees, Customers and Suppliers* - Organizations must establish and continually encourage actions and innovations which will promote mutually beneficial relationships between and among all parties.

There is little question that a TQM initiative which fully implements the elements above offer an organization substantial competitive advantages (Caroselli, 1991). However, given the failure of many TQM initiatives, perhaps the challenge faced by many business leaders today is not *if* TQM works, but *how* it should be implemented.

Action Science. Action science asserts that values inform actions which then lead to consequences (Argyris and Schon, 1974; Argyris, Putnam and Smith, 1985). But often, organizations and individuals do not produce the consequences they intend because they hold conflicting values (wanting to implement TQM and simultaneously continuing "business as usual"). Action science provides mechanisms such as mapping (demonstrated below) for displaying and discussing observed behaviors in order to learn whether or not organizations and/or individuals are acting in congruent ways which will achieve the outcomes desired.

Methodology

The investigators used two case studies of failed organizational quality initiatives. One case study was developed by interviewing the consultant involved; the other case study was written by

one of the investigators who worked directly with the organization. The cases serve as a data source for applying the theoretical constructs of quality management and action science. The researchers employed the critically reflective data analysis techniques of action science seeking to identify the assumptions, actions, and consequences produced in a given situation by examining the values and reasoning informing the actions taken. Specifically, the investigators identified: 1) espoused theories, 2) theories-in-use, 3) inconsistency or lack of alignment, and 4) possible re-designs to decrease the inconsistency and increase alignment.

Definitions and Examples Of TQM Binds

A *TQM Bind* is an organizational paradox created (often unintentionally) as a result of a poorly planned, weakly supported, or incompetently implemented organizational change effort such as a Total Quality Management plan. The "bind" is a consequence of attempting to change one or more aspects of the organization while simultaneously continuing to behave in ways which prevent the desired change from occurring. For example, an organization may attempt to change its culture to one of increased team focus, employee cooperativeness, and improved quality of service while simultaneously maintaining a performance appraisal system which individually compensates employees on a competitive basis.

As Argyris and Schon (1974) have discussed, there often exists a gap or difference between what organizations and individuals *intend to do* and what *actually happens*. This dynamic is what Argyris and Schon call the difference between an espoused theory (what organizations and individuals *say* they do when asked) and a theory-in-use (what organizations and individuals *do* when observed). Our notion of a TQM Bind comes from the gap between espoused theory and theory-in-use articulated by Argyris and Schon. The problems created by the differences between an organization's espoused theory (organizational TQM plan) and its theory-in-use (business as usual) create "binds" for employees who are "caught in the middle." The following case studies from two organizations - Megatek and Aerospec - illustrate the concept of a TQM Bind.

Megatek.¹ A major manufacturer of personal computers, Megatek, contracted with a consultant to design and deliver basic and advanced customer service training courses to several hundred new and seasoned customer service telephone representatives. The consultant was excited at the prospect in part because of Megatek's reputation as a steadfast advocate of Total Quality Management. For example, Megatek's leadership had given speeches over the years proclaiming a new culture of openness, honesty and integrity. The organization required all employees to attend training specifically designed to teach the new skills and knowledge seen as essential to the new culture described in the TQM plan. Conferences featuring the biggest names in the field of quality improvement had been held. Newsletters touting the benefits of TQM were distributed to employees monthly, and a resource library stocked with the latest books, periodicals, audio and video tapes relating to the topic of TQM was created. As part of the TQM effort, each department was required to develop a vision and mission which supported the organization's focus on customer service, process improvement and employee empowerment.

As the consultant conducted the customer service training sessions, she soon discerned that the veteran employee participants were quite indifferent with regard to the session content. During several separate discussions with participants of the training, the consultant identified the following problem which the authors call a *TQM Bind*. The message of the training sessions and Megatek's TQM initiative was: "Do what it takes to please the customer," such as answering customer questions, solving customer problems, and assisting customers with identifying needs rather than merely taking orders for products. However, this message and its supporting

¹ While the names of the two companies in this paper, "Megatek" and "Aerospec" are fictitious, the events described are real.

activities were not what training participants were rewarded for on the job. Rather, their performance evaluations, bonuses, and promotional systems were based on the *number* of phone calls they could answer each day in two minutes or less. Megatek's customer service phone representatives quickly learned a myriad of tricks for cutting customers off, transferring them back and forth to other customer service representatives, and putting customers on hold to raise their call-answer rate. Repeated attempts by the customer service representatives to point out to their immediate supervisors that the call-answer rate requirement was in direct contradiction to the intent of the training, the organization's customer focus philosophy, and the TQM initiative, were rebuffed.

Megatek's customer service telephone representatives suffered enormous personal stress due to the need they felt to honestly assist customers calling with legitimate problems and issues and the unreasonable and contradictory performance expectations of their work environment. As one might guess, customer complaints began to rise since the quality of service was declining and their problems were not being solved. To add insult to injury, management identified the customer service telephone representatives as the "logical" cause of the problem. After all, reasoned management, it was the telephone representatives who were answering the phones. What action did management take to solve the problem? It required all new and existing representative to receive *additional* customer service telephone training and to implement stricter monitoring procedures of the phone representatives by their supervisors.

Aerospec. Another example of a *TQM Bind* involved a major aerospace engineering firm. Aerospec was attempting to change its organizational structure from a traditional hierarchical bureaucracy to a flat, collaborative, team-based structure. Aerospec chartered several experimental teams to test the effectiveness of this new structure. The teams were officially designated by upper management as empowered, self-directed work teams, framed as autonomous business units and encouraged to act as entrepreneurial entities.

One team determined that as an autonomous, empowered, self-directed entity, it had the right to make reasonable purchasing decisions. To the team members, this did not seem like an unreasonable assumption in light of the entrepreneurial charter they had received from the organization. Also, the team was well aware of Aerospec's rhetoric and had attended numerous presentations made by the general manager and vice presidents regarding the new organizational structure to be implemented. However, when the immediate supervisor of the team was informed by team members of their plan of action, she made it abundantly clear that she would need to approve *any* expenditures. The team protested bitterly saying, "either we are an empowered, entrepreneurial, self-directed team or we aren't! Doesn't entrepreneurial and self-directed include purchasing what the team needs? Aren't we an experiment to see if this new team structure can work?" The supervisor responded that while the team was empowered, she needed to watch over them and their budget. She further informed them that she was the only person the team could go to with signature authority. Not surprisingly, this action did not make the team members feel as though they were truly empowered, self-directed, or autonomous. "When push comes to shove, especially around money," the team members reasoned, "nothing is really different about the way Aerospec works. This 'empowered team' thing is a joke!"

Mapping TQM Binds

One technique in action science used by Argyris, Putnam, and Smith (1985) to describe and illustrate espoused theory and theory-in-use is mapping. Mapping is a form of data display comprised of values and assumptions, actions and strategies, and outcomes and consequences. The power of maps lie in their ability to raise awareness of organizational (and individual) paradox. The information displayed in maps can be obtained in many ways such as observations, interviews, focus groups, or critical incidents. Mapping the different theories (both "espoused"

and "in-use") often makes the paradox or *TQM Bind* clear, as presented in the case of Megatek (Table 1).

Table 1

MEGATEK'S ESPOUSED THEORY

Values/Assumptions	Actions/Strategies	Outcomes/Consequences
Quality is important	TQM initiative developed	TQM training plan implemented
Customer service is important	Provide customer service training for employees	Employees skilled in customer service techniques
Training helps improve employee performance	Employees learn and performance improves	Customers receive excellent service thus increasing profits

Table 1 maps Megatek's espoused theory. The first column shows that Megatek *says* that quality and customer service are important, and training will help its employees achieve these values. In the second column, we see that Megatek *says* that its strategy or action for implementation is to enact a TQM initiative, provide customer service training for its employees, and make sure that employees learn. In the third column, Megatek *says* that it expects the outcomes or consequences to be an implemented TQM plan, employees skilled in techniques for providing customer service, and customers receiving excellent service which will provide the organization with higher profits.

Assume Megatek's intentions were good - that management really believed and intended that a TQM plan which focused on quality and excellent customer service would result in the intended outcome of larger numbers of satisfied customers, greater sales, and higher profits. From the case study example, this is clearly not what happened. Table 2 illustrates what really happened or Megatek's theory-in-use when Megatek implemented its TQM plan and created a *TQM Bind* which unintentionally created unsuccessful outcomes.

Table 2

MEGATEK'S THEORY-IN-USE

Values/Assumptions	Actions/Strategies	Outcomes/Consequences
Quality is important, but the "bottom line" is what really counts	Develop TQM strategies that are defensible and measurable	Employees respond to what is <i>really</i> valued and increase the number of calls they process, not the quality of the calls
Quality is important, but quantity is more important	Measure what is easy to measure or has always been measured	Measure number of calls, not customer satisfaction or how well employees solve customer problems
Megatek can value quality and focus on quantity with no alignment between the two and without repercussions	Say that quality is valued, but evaluate employees on quantity while acting as though this method is correct and not a contradiction	Employees value good reviews, so they do what is necessary, defeat the TQM initiative, thus discounting Megatek's desire to improve

Table 2 displays the values and assumptions Megatek conveyed through its performance appraisal system. While Megatek says quality is important, in reality quantity and the bottom line is what management *really* cared about. Further, the map illustrates management felt it could ignore the misalignment between the two systems (customer service and employee performance) without any repercussions. Megatek implemented a poorly aligned TQM plan that was defensible (i.e. logical or rational), easy to measure ("Wow, look at how many more phone calls we're handling!") but paid only lip service to quality by mandating quantity. The final column shows that as a consequence of Megatek's actions and strategies the number of phone calls answered were measured and employees responded to the *real* values of the organization. Megatek's management chose to ignore attempts by its customer service representatives to identify the discrepancy between quality and quantity and then went so far as to blame them for its own failure to improve the customer service system. Ultimately, the employees were forced to simply "do their job" and customer complaints rose. Dissatisfied customers, lost sales, demoralized and embittered employees, and wasted training dollars were the result.

As this mapping process illustrates, being able to "visualize" the paradox or "binds" can allow organization to see what it is doing that is counterproductive to stated goals. If the organization and its leadership are sincere, open, and honest in their TQM initiative, they can use Argyris' mapping process to begin to facilitate actions to resolve their problems.

Re-designing To Avoid And Minimize TQM Binds

To avoid creating TQM binds, the following five recommendations are offered.

- * *Think systemically* - Organizations and individuals who can think in more interconnected and consequential ways will have a greater likelihood for avoiding unintended outcomes in the design and implementation of TQM plans.
 - * *Discuss issues openly* - Organizations and individuals who can discuss their issues openly and honestly will be able to avoid TQM binds more readily than those who cannot discuss their concerns directly.
 - * *Look for problems and try to fix them* - Organizations and individuals who actively seek out problems and attempt to address them stand a much better chance of avoiding and/or minimizing TQM binds. Proactively search for and address problems in TQM plans and implementation.
 - * *Reflect critically on organizational and individual practices* - Organizations and individuals who routinely challenge their assumptions and contemplate their actions stand a better chance of avoiding unintended outcomes and reduce the chances of TQM binds occurring. Using not only action science (Argyris, Putnam, and Smith, 1985), but also action research (Lewin - see Marrow, 1969), and action learning (Revans, 1980) could aid the reflective process immensely.
 - * *Be patient and impatient* - Organizations and individuals need to be aware that implementing a TQM plan is an individualized experience unique to each organization. There is no "right way" or "clear path," and implementation takes time and will be full of unintended and unanticipated mistakes. The key here is for organizations to be patient, realizing that binds will be created which need to be addressed, and simultaneously to be impatient by acting quickly to resolve binds once identified thereby avoiding unnecessary stress or unpleasant working conditions.
- To address, attempt to minimize, or remove a TQM bind once it has been discovered, Argyris' (Argyris, Putnam, and Smith, 1985) recommendations for increasing individual and organizational congruence could be helpful.
- * *Validate information* - Organizations and individuals seek information that is accurate or has been publicly tested for its accuracy with others.
 - * *Choose freely* - Organizations and individuals allow themselves and others to make choices which are fully-informed (no surprises or omissions) while respecting and monitoring the commitments made to such choices.

* *Combine advocacy and inquiry* - Organizations and individuals who express their opinions and views and ask for feedback and reactions which fosters a greater predisposition for productive dialogue.

* *Protect self and others appropriately* - Organizations and individuals who not only protect themselves and others when feeling defensive or emotionally threatened but who can also do so in ways that allow themselves and others to continue learning (this is quite difficult to do).

To illustrate how things might be different if an organization or individual enacted the guidelines described above, a re-design of Megatek's Theory-In-Use Map (Table 2) is presented in a new map in Table 3.

Table 3

RE-DESIGNING MEGATEK'S THEORY-IN-USE

Values/Assumptions	Actions/Strategies	Outcomes/Consequences
Both quality and the "bottom line" are important; one supports the other	Develop TQM strategies which enhance and support quality and the "bottom line." Develop systemic strategies with relevant stakeholders such as employees and customers. Periodically evaluate strategies and results openly with employees and customers. Look for problems to fix.	Systemic, integrated organizational strategies are collaboratively developed and implemented which enhance the outcomes of the bottom line and quality while encouraging open dialog and reflection. Proactive problem-solving focus.
Quality and quantity are equally important	Jointly discuss and collaboratively develop meaningful measurement plans with those involved (managers and employees). Measure what is important and actually valued by all, not just what is easy to measure. Collaboratively evaluate results and re-assess in light of desired organizational outcomes.	Measure the number of calls (quantity) and customer satisfaction (quality) to ensure that everyone's needs are met (managers - productivity, employees - clear guidelines, customers - good service). Collaboratively evaluate results which encourages dialog, reflection, alignment and congruence.
Megatek can value quality and quantity while struggling to align both and simultaneously addressing the unwanted and unintended repercussions of any misalignment	Acknowledge the difficulty of implementing quality and seek help and input from employees and customers. Seek out problems and inconsistencies and collaboratively address them on an open, experimental way with those involved	Open acknowledgment leads to genuine dialog and congruent communication which sets the stage for more effective problem-solving which should increase the quality and quantity of service, profits, and employee and customer satisfaction

As this mapping process illustrates, re-designing is a difficult task. Notice that in order to minimize or avoid TQM binds organizations must be willing to critically examine their individual and collective values and assumptions, actions and strategies, and outcomes and consequences. Moreover, in order to avoid binds, a willingness to be open, inclusive, systemic, holistic, and experimental is needed. Comparing the differences between Table 2 and Table 3 one notices that Table 2 is more control-oriented, unilateral, and "quick-fix" oriented while Table

3 is more sharing, multilateral, and "big picture" oriented. Above all, it is worth noticing that the odds of Megatek achieving its goals are also improved dramatically.

Assumptions

Several assumptions provide the foundation of this paper. First, the assumption is made that TQM is worthwhile and that the five principles of TQM outlined earlier are worth pursuing. Second, the assumption is made that organizations and the individuals who comprise them are of goodwill and therefore TQM binds are most often created unintentionally. Third, the assumption is made that critical reflection can help prevent and solve many individual and organizational problems.

Conclusion

This discussion of TQM Binds could be relevant to any change effort, no matter how big or small- a new hardware system, a new employee compensation system, a merger, a takeover, re-engineering, downsizing or rightsizing. The recommendations made for avoiding or ameliorating the TQM binds could be applicable to other binds organizations and individuals may encounter in the process of change.

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THE IMPLICATIONS OF DELAY IN THE ORGANIZATIONAL CHANGE PROCESS

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The implementation of change is rarely a smooth process. Delay is introduced as a factor requiring management in strategic and operational change processes. This exploratory qualitative study in two healthcare organizations illustrated attitudinal responses to delay at executive, manager and employee levels. Productivity and morale were negatively impacted. Proactive planning and clear, open communications emerged as two key ingredients to the successful management of delay in the organizational change process.

DELAY

To prolong the time of doing or proceeding with;
to put off; to defer; to retard; to stop,
detain or hinder for a time.

The New Webster Encyclopedic Dictionary

Organizations confront a myriad of events to which they must respond. Among the most challenging are those that become the contexts for substantial change and adaptation. These events are rarely static or contained within a discrete time frame. Unfolding over time, they demand continual adjustment and present unending challenges for all concerned. (Isabella, 1990). Today's management philosophers describe the environment as one in which the only constant is change. Change, however, is not always planned and not always desired. It is not a discrete process. It is often chaotic, punctuated by incremental progress and delay. Delay can be short or long term in nature, minor or major in perceived impact. Delay can cause uncertainty, alter relationships and cause dissatisfaction. It can also result in improved decision-making as a result of richer information. Delay in organizational change efforts presents significant challenges to all levels within the organization. Successful management of change includes the ability to anticipate and manage delay.

A hallmark of successful companies is the fit between external opportunity, organizational strategy and internal structure. Various forces create conditions in and around organizations that trigger change. These forces are messy, chaotic and painful. The implementors of change fight interruptions and impediments attendant to working through the change effort. Since the change process rarely proceeds as smoothly as originally planned, a better understanding of the ramifications of delay might assist organizations in managing this phenomenon more effectively.

Strategic Change Research

A large body of diverse literature and research is devoted to understanding strategic change. Researchers have looked at it from a variety of perspectives. Some researchers have looked at the identification of the need for change, studying the precipitating factors (Child & Kieser, 1981; Meyer, 1982) and the interpretive processes involved (Bartunek, 1984; Dutton &

Duncan, 1987; Milliken, 1990).

For others, the focus of investigation has been upon the process of implementing organizational change, with issues including how change occurs (Kanter, 1983; Quinn, 1980), who initiates it (Robbins & Duncan, 1988; Tichy & Ulrich, 1984) and what constrains it (Aldrich & Auster, 1986; Boeker, 1989; Pettigrew, 1985; Staw, Sandelands & Dutton, 1981; Stinchcombe, 1965).

Other theorists have attempted to understand the nature of change and have devised distinctions, including first-order and second-order change (Watzlawick, 1978), piece meal and quantum change (Miller & Friesen, 1984), and continuous and discontinuous change (Hinings & Greenwood, 1988; Tushman & Romanelli, 1985).

Still other researchers have examined how organizations change in anticipation of or in response to environmental threats and opportunities (Pfeffer & Salancik, 1978).

When well managed organizations make significant changes in strategy, the approaches they use frequently bear little resemblance to the rational-analytical systems so often touted in the planning literature. The full strategy is rarely written down in any one place. The processes used to arrive at the total strategy are typically fragmented, evolutionary and largely intuitive. (Quinn, 1978: 7) The real strategy tends to evolve as internal decisions and external events flow together to create a new, shared consensus for action.

Organizational Change Research

Within the literature related to organizational change, there has been considerable research about the sequence of activities that facilitates the process of change (Delbecq and Van de Ven, 1971; Hage and Aiken, 1970; Lewin, 1947; Lippitt, Watson and Westley, 1958). While change at its most basic level has been said to consist of unfreezing, moving and refreezing (Lewin, 1947), movement through these stages involves more than sequential activities and behaviors. Research suggests that a substantial amount of cognition and interpretation accompanies the process of change (Isabella, 1990). As change unfolds, various orientations are required. Frames of reference shift:

Transitions are themselves transitional. When a change is initiated, existing patterns are disrupted and this results in a period of uncertainty and conflict.

If key people accept and support the change, novelty turns to confirmation and eventually the innovation is routinized. (Quinn & Kimberly, 1984: 303)

A few studies have examined interpretations of specific organizational events over time, identifying similarities in points of view (Gephart, 1984) or construed realities (Sutton, 1987) that guide the attribution of meaning and significance. Organizational members actively create or enact the reality they inhabit (Weick, 1979). They create a "material and symbolic record" (Smircich & Stubbart, 1985: 726) upon which they predict future action. The views of managers are especially salient because managers appear to be at the heart of the cognitive shifts that occur during organizational change. (Isabella, 1990: 9) How managers view delay and, more importantly, how they communicate about delay can facilitate necessary cognitive shifts. Managers serve a key cognitive function in organizations by interpreting events and ultimately using these interpretations to frame meaning for other organizational participants (Daft & Weick, 1984). Because leaders have the formal authority to prescribe interpretations, their viewpoints and how they shift during change can be highly significant and instrumental. (Pfeffer, 1982).

Recognizing the contributions and limitations of organizational and strategic change research the present study explores delay and its ramifications on the organizational change process.

Methods

The problem which precipitates this study is the effect of delay in the implementation of change upon organizations.

Research Strategy. The study was designed to identify the factors inherent in delayed change. The study is exploratory in nature. Participants were asked to describe and discuss two organizational changes in which delay was a factor. Individual interpretation and response to delay in organizational change efforts was solicited. The qualitative research approach is consistent with research goals in the study. (Katz, 1982)

Sample. Eighteen individuals participated in the study. Nine people were selected from each of two medical centers in the midwest. Three distinct organizational levels were represented: six members of top management, six mid-managers and six employees. Top management was initially approached, who in turn recommended other individuals in their divisions. Tenures varied from one to seventeen years. The functional areas represented included: Finance, Patient Care Services, Human Resources, Physician and Clinical Support Services.

Data Gathering. The research approach allowed individuals to describe and discuss two organizational change efforts involving delay as the basis for general discussion regarding the organizational change process.

Prior research in both the organizational and strategic change literature was used. Of particular interest was whether delay would impact productivity and morale. In addition, whether perceptions regarding the effect of delay on change effort would vary by organizational level.

The specific purpose of the interview was to learn as much as possible about participants' concerns, perceptions, reactions, observations and thoughts in connection with delay. A preliminary interview schedule was constructed. Following pilot testing with two individuals unconnected to the study, slight revisions were made. The final interview guide contained six open-ended questions. Interviews were semi-structured and lasted approximately one hour. After outlining the genesis of the study, the research process was discussed and each participant assured of confidentiality. Background data on each participant was collected at the beginning of each interview. After collecting data about the two examples of organizational change efforts involving delay which they had experienced, participants were asked the remaining interview questions, allowing for discussion concerning other delay implications not previously discussed. An effort was made to gather as much rich detail as possible concerning the examples. Participants were asked to elaborate upon these events in detail and clarifying questions were asked. At the end of each interview, participants were asked whether they had any other thoughts relative to delay that they felt important but which had not been discussed. Detailed notes were taken during each interview to allow for systematic analysis.

Executives and Delay

Executives function in a complex, often ambiguous world. They are the strategic leaders of organizations. The burden of strategic decision-making rests on their shoulders. It is not a responsibility they take lightly. The future success of organizations, indeed their very survival, may lie in their collective hands. Table 1 summarizes the examples and responses to delayed organizational change outlined by executives.

Each of the twelve examples of organizational delay provided by executives was strategic in nature. They discussed restructuring, downsizing, mergers, role changes, strategic alliances and functional consolidations. In each instance the underlying reason for the delay was political. Key people in positions to call a halt to action did so. Stakeholders were both internal and external to the organization. Executives recognized information serves as the basis for good decision-making and saw delay as facilitating additional data gathering and political support building. Delay often further complicated the already complex executive role.

"The organization was not performing. We were losing a lot of money and, even though the board was initially tolerant, we decided to close the program," explains one executive. "We knew there would be community repercussions." He explained that both a trusted board member

and the medical director were involved in the decision. He remembered being anxious over the decision, particularly because some of those losing their jobs were physicians. Although the organization acted very quickly, delay occurred to ensure all key stakeholders were supportive. The waiting took its toll on him personally. "I have to make decisions in the best interest of the organization. I am determined to do the right thing," he explained.

The formation of a new physician alliance presented challenges to another executive, "I am the communicator with the physicians, he said". "When delay occurs, rumors begin and I spend all my time communicating." He saw delay as "not part of the plan", and compared it to the holding pattern of an airplane before landing. As a seasoned executive, he felt he took delay in his stride and was empathetic with those who do not. He felt delay may be a necessary part of thinking through all the issues, system consequences and communicating with those affected.

Delay also means heightened ambiguity at the executive level. Often executives are the first to learn of coming changes but cannot reveal what they know. "Planning becomes impossible," complained one new executive, after learning of a possible role change. "I know I will have to live with this ambiguity for the next six months. I'm ready to move and am excited about the change, but must wait." Another executive talked of healthcare changes which necessitated drastic organizational cuts. He knew it would mean substantial job loss and that although it had been decided that this was necessary for organizational survival, the process had to work itself through.

The need for strategic leadership often places executives in positions where they may themselves be the cause of delay. Proposed changes may be fraught with political consequences and delay may allow time for thought or negotiation. After agreeing initially to a politically-sensitive hiring decision, one executive shared that her CEO asked her to wait. "I felt as though I was walking on eggshells, but it had to be processed further." Yet another senior manager talked of a program decision which he had to put on hold. "My manager didn't see the bigger picture. He couldn't understand the possible ripple effects."

The majority of the executives interviewed described themselves as "big picture people." They have the ability to "see all the ramifications" of delay. "It is a heavy burden" shared one interviewee. Executives are generally used to delay and view it as a normal part of complex organizational life. "You end up in senior management through competence and personality," one executive shared. It was his belief that unless executives learned to handle delay personally they would hinder their career progress.

There is some fear that peers are stalling for political advantage. One vice president described the "fear factor." He talked of suspicion, frustration and uncertainty and viewed delay as "a troubling time whatever the reason."

Executives are empathetic to the information needs of managers and employees in delay situations. "Management has a parental role", one executive explained. Another acknowledged that "midmanagement is caught" without the full picture. "They try to be conscientious but aren't as used to delay. They want to produce but can't because of the delay." There is, however, recognition that most of the time it is senior management which is ultimately responsible for delay and its ramifications.

The executive role in the communication of delay is recognized. "Leadership credibility plus good communication and understandable reasons may make delay OK," said one executive. "The lack thereof makes delay very hard." History was seen as playing a role in how individuals interpreted delay. "If delay is seen as frivolous, our leadership credibility drops," shared a senior manager. "We must manage the personal side of change with lots of education, communication and involvement," explained another. "The bigger the delay, the more information is needed."

Executives don't appear to cope well personally with delay, despite having broader knowledge and being experienced at having plans delayed. They describe anxiety, frustration, anger, loss of control and lowered self-worth as some of the feelings accompanying delay. "The organization is my first priority" shared one executive. "We must balance diverse opinions." Maybe it is this heavy sense of responsibility that causes the high stress levels described as accompanying delay at the executive level.

Managers and Delay

Often seen as "in the middle" between top management and employees, managers must constantly balance the needs of both groups. When delay occurs, managers look to the executive level for strategic and operational guidance and direction. They must then explain to those below them the reasons for the delay and its consequences. Middle management, sees its role in the organization as getting things done through people. They see themselves as an integral part of the change process. Table 2 summarizes the examples and responses of mid-level managers.

Top management may make the initial change decision, but the information necessary to implement the decision resides at lower levels according to managers. They believe delay is often created as data filter down and up the organization. Lack of proper planning is seen as an issue which handled appropriately, may alleviate or negate the impact of delay. Top management is viewed as responsible for planning. Delay prevents managers from getting the work done. Action oriented people, for the most part, they quickly identify the practical problems which delay creates. Managers see delay creating all sorts of customer service problems for them, from lack of data to lack of supplies. They become frustrated when they feel unable to perform their jobs due to delay and become concerned over the potential productivity and morale ramifications. How delay is interpreted by employees can make their jobs either easier or tougher.

The schizophrenic nature of middle management is reflected in the examples of organizational change it provided, particularly with reference to the reason for the delay. Even though the nature of the change may have been strategic in nature, the reason for the delay was expressed in both political and operational ways.

Politically, "my relationship with the CEO allowed me prior knowledge," one manager shared. "I knew the information was highly confidential and appreciated the trust." "I know the change will happen," says one manager of a role reconfiguration, "but I don't know when." Another manager described convincing the CEO of a potential clinical affiliation, only to find the project stalled due to lack of political support. "No one moved. My vice president was not interested. It took time and persistence, but the project was eventually successful."

On the operational side, one manager described his frustration over delays in the delivery of a critical piece of clinical equipment. "We trained folks for the new equipment. The value of the training is probably lost because people couldn't use the new skills due to the delay." Another manager described learning of a new program which could potentially affect employee benefits. Should the program be implemented it would cause operational delays for his department. He also discussed the operational impact of delays regarding compensation program changes. "The timetable has been seriously compressed. It's a major issue. Training, education and communication will be hastily planned as a result."

One manager described the need for "support from the top and 'buy in' from the bottom" as key elements to successful change. He saw "communication of the reasons for delay and understanding of those reasons" as critical in working with employees. Another manager shared that "top management doesn't understand implementation issues" and saw her role as "getting 'buy in'." She viewed delay as "people throwing up roadblocks", political lack of support, overtly or covertly.

Employees have an hard time understanding why there is delay even when they support the change effort. People want to do a good job and are frustrated when they can't due to delay. Getting accurate, timely information to employees is seen as critically important to controlling employee anxiety about delay. Many of the managers interviewed mentioned the demoralizing effect of delay. "When communicated change doesn't happen, it causes loss of belief in the organization and what employees are being told," explained one manager, "change can be very threatening lower in the organization. They have less control." "Employees will come up with their own answers in the absence of information," shared one manager. "Good managers communicate and the rumor mill is not fed."

Yet, even as they recognize the need to respond to employee needs for information the

managers themselves must deal with delay. "We must manage day to day and also manage delay" one manager expressed, frustratedly. "The department reflects the attitudes of the manager," another explained. "Some managers understand the complexities of change and communicate effectively, other do not." "All my energies go into trying to calm down staff," shared one manager coping with the aftermath of a restructure delay. "Bad news is better than no news," she concludes.

Some managers interviewed believe that systematic planning would facilitate the change process and help minimize delay which the organization can control. Others see change as "an ongoing process of adjustment" in which it is impossible to predict all the variables, thus making delay almost a given. One manager agitatedly explained, "There isn't a plan!" She was concerned that a delayed change effort was receiving less top management attention than she believed it deserved. "We overestimate our ability to accomplish things," another manager explained. "Delays happen because we look at change as work, not as people. The technical pieces are easy, the people part is not."

Managers see themselves as probably the most affected by delay. Delay causes anxiety at the management level because there are strong productivity expectations. "We react the most turbulently. We are dealing with things day to day," shared one manager. "The impact is bigger," another manager explained. "We have a business perspective." Balancing operational demands against people needs poses clear challenges for managers faced with delay.

Employees and Delay

The responsibility for carrying out the day to day work of the organization rests on the shoulders of employees. Delay can prevent them from performing their jobs. This can be frustrating to people who want to do their best to help the organization accomplish its objectives. The responses and examples provided by individuals interviewed at the employee level are summarized in Table 3.

Often feeling as if they are being kept in the dark, employees resent not being informed, honestly and openly, regarding delay. They expressed wanting to be treated as responsible members of the organization and to have the opportunity to be consulted on plans resulting from delay. Viewing the lack of communication as an important factor in making delay harder for the organization to accept, they, nonetheless, appreciate the complexities of change and the attendant potential for delay. Leadership credibility emerges as a key variable in how news of delay is received. If trust exists, even disappointing and frustrating delay will be handled. It is the lack of information that employees view as the ultimate dissatisfier.

All employees interviewed shared their personal frustrations, even anger, at not knowing what was the cause of delay in major organizational change efforts. Interviewees talked of wanting to be part of the team and to be treated as important enough players to deserve to be kept informed.

"Tell us the facts," requested one employee. "Let us deal with it. Treat us as adults." "Just tell me," begged another. "Be direct with me, don't treat me as stupid," entreated yet another. The theme was repeated. "Give me the information, honestly. Let me handle it," asked yet another. Delay is seen as affecting employees' abilities to feel as if they are in control. There is a keen sense that information helps put things in perspective and assists them make better personal and work-related decisions.

"People assume we know a lot more than we do," shared one employee frustrated by delay experienced after learning of a procedure change affecting her job. The lack of information about why nothing was happening initially caused her to worry, but after a while she "just kicked back". "I'm not used to things dragging out without any knowledge of what's going on," she shared, "but I just decided I am very capable and can handle things when they do change." Despite the strong words, there was still a suggestion of self-doubt. The anticipation appeared to be taking its toll on her morale.

In environments filled with uncertainty, the rumor mill often becomes the best way to get

information. "If we don't know what to expect, the rumors start," explained one employee. "Without feedback everyone develops their own scenario," another complained. "We're not told enough. Sometimes we're told not to worry. We do anyway. More information makes delay easier to deal with. If uncertainty is high, people become concerned and productivity goes down." This young lady had previously shared a frustrating example in which delay affected her ability to provide customer service. She described having worked extremely hard to build a strong service reputation, only to have her efforts undermined by her current situation. She was not the only employee frustrated by delay. "I cannot get straight answers," another employee stated. "How do they expect me to do my job?" Yet another described the frustration of having to "make do" with inadequate equipment. She personalized this scenario, explaining that she questioned her value to the organization when the promised equipment was delayed.

Despite these demoralizing examples, employees do appreciate that life in organizations is dynamic. "No one can see into the future," explained one of the employees. "Things rarely go as planned. You can anticipate a lot, but not everything." This was a commonly held belief among all the employees interviewed. Each touched on it in a slightly different way, but there was a common theme. "Even when the change is agreed upon and fully discussed, it probably doesn't end up as planned. The first idea is not always best," shared one employee. "Plans sometimes evolve," mentioned another.

Maybe the most disconcerting comment from the whole series of employee interviews was a statement made by an insightful woman who observed, "Delay causes enthusiasm to die." The loss of employee excitement and support for change may be one of the biggest potential costs of delay.

Discussion

Although this study was exploratory and involved only eighteen subjects, it provides some useful insights for practitioners involved in organizational change processes.

Perhaps the most fascinating learning from this study was the insight each organizational level had not only about the issues it faces, but also those faced by other organizational levels. While executives might be expected to understand the needs, fears and hopes of employees and managers, the depth of perceptive comments from employees in regard to challenges managers and executives face was unexpected. If representative, such understanding could greatly assist managers in their communication regarding delay in the change process and ultimate employee acceptance of delay as a part of organizational life.

For practicing managers, effective management of delay in the change process necessitates clear and open communication regarding the causes and effects of delay. While executives may feel the pressure to respond to political challenges, they must address operational concerns for employees if they expect continued support and performance. Communication is key to preventing delay becoming the cause of dysfunction and stress within the organization.

Conclusions

Delay is seen as a normal part of day to day existence in complex organizations. For executives, strategy evolves as internal decisions and external events flow together to create a new consensus for action. (Quinn, 1978:7) Delay is seen as a natural consequence of this process. The delay may be caused by additional information needs or need for further dialogue with political stakeholders. While there appears to be ready acceptance of this fact of strategic life at the top of the organization, it is harder for those at lower levels to understand. Manager and employee priorities are operational. People's abilities to perform their jobs may be compromised by delay. The operational challenges faced by managers and employees confronted with delay can be substantial, affecting both productivity and morale negatively. At all levels of the organization, individuals help each other interpret the meaning of delay.

One of the first outcomes of this team was to rename the combined training function "Training and Performance Consulting." This name illustrates the recognition of our need to redesign our efforts around performance improvement from the beginning, not just satisfaction and learning, as in the past.

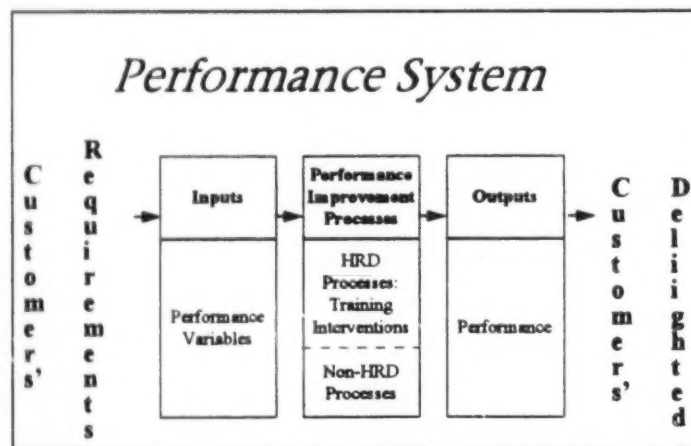
Who are our customers? In our corporation, our primary customers are first and foremost the senior management team. They control the budget, set the strategic direction and initiatives, and make the final value judgments of our efforts. The senior vice-president of each functional area has specific training and development requirements they want fulfilled. In addition, they are the leaders of significant strategic change occurring in the organization. Defining and meeting their present and future requirements is critical to every other aspect of our journey.

How do we change the mindset of this client? To some degree, our clients are unsure of what to ask for, what behavior to support, how to clearly define what it is they intuitively know they want. How do they even evaluate if they have the right people leading the effort for them? Part of our job is to build the credibility required to be successful with these people. This involves not only responding to their articulated needs, but building a relationship that allows us to redefine training as a value-added business process which is critical to their efforts.

Another customer focus includes the employees who need the training and development. In one sense, they represent our direct customer. In addition, their satisfaction is a key requirement of the senior management: the senior manager wants their people to feel as if they have the training they require to do their job. Key employee populations that impacted the strategic imperatives of increasing profitable revenue, improving customer service, and creating a winning culture were targeted as the highest priority for time and resources. Specific initiatives were developed to strengthen and enhance these employees' performance.

Our job is to help all customers understand training as a partnership between the corporate management, local management, technical experts, performance consulting, and the individual. Successfully meeting our performance objectives requires that each partner fulfill their role in supporting the desired performance.

Systems View of Performance Consulting A systems model of performance improvement means considering our external customer requirements and the performance required to delight the customer. This guided our search to identify the performance variables that impact customers, based on a performance analysis of what ways to improve our processes for impacting that performance, and considering our results. An overview of this system is outlined in the following diagram.



Where are we going?

Performance is the basis of the new training and development paradigm. Many training processes have focused on learning as well as the training side of the relationship. However, to meet the needs of the emerging organization, a performance-based approach is required. This necessitated a

Table 3
EXAMPLES OF & RESPONSES TO DELAYED ORGANIZATIONAL CHANGES

ORGANIZATIONAL LEVEL	EXAMPLE OF CHANGE	REASON FOR DELAY	PROBLEMS	FEELINGS
Employee	•Physician Hours of Work •Added Responsibility	•Operational •Operational	•Process Issues, Hard To Get Approval to Admit Patients, Communication with Physicians •Workload Concerns, Training	•Frustrated, Anxious, Insecure •Self-Esteem, Frustration, Anxiety, Fatigue
Employee	•Purchase Centralization •Specialized Purchasing	•Operational •Operational	•Customer Service, Lack of Data, Lack of Policies •Customer Service, Delays	•Lack of Control, Incompetent, Frustrated •Lack of Support, Frustration
Employee	•Computer Purchase •Merger	•Operational •Operational	•Inability to Do Work, Delays, Repairs on Equipment •Lack of Support, New Processes, Communication	•Frustrated, Stressed, Devalued •Anxious Devalued, Demoralized
Employee	•Department Restructure •Compensation Program	•Operational •Operational	•Increased Workload, Communication, Process Issue •Communication, Procedural, Customer Service	•Frustrated, Harried •Incompetent, Inadequate
Employee	•Function Restructure •Department Restructure	•Operational •Operational	•Inability to Plan, Communication •Communication •Communication, Procedural, Rumors	•Vulnerable, Uneasy, Anxious •Concerned, Demoralized, Uniformed
Employee	•Office Move	•Operational	•Inability to Plan, Communication	•Frustrated, Excited, Unsure

Table 2
EXAMPLES OF & RESPONSES TO DELAYED ORGANIZATIONAL CHANGES

ORGANIZATIONAL LEVEL	EXAMPLE OF CHANGE	REASON FOR DELAY	PROBLEMS	FEELINGS
Manager	• Downsizing • Role Change	• Political • Political	• Communication, Ambiguity • Inability To Plan • Inability To Plan Communication	• Anxiety • Excitement, Anticipation, Anxiety and Guilt
Manager	• Merger/Restructure • Computer Linkage	• Political • Operational	• Financial • Data Access, Lack of Training, Inability to Do Job	• Anxiety, Anger, Frustration • Disillusionment, Disappointment, Powerlessness
Manager	• Merger/Restructure • Healthcare Reform	• Operational • Political	• Depersonalization, Communication • Inability to Plan, Inability to Provide Quality Care	• Anxiety, Frustration, Loss of Professional Satisfaction, Hopelessness
Manager	• Compensation Program Updating • PHO Formation	• Political/Operational • Political	• Timeline Compressed. No Time to Plan. No time to plan Implementation • Inability to Plan	• Micro-Managed, Pressured Frustration
Manager	• Equipment Purchase • Business Acquisition	• Equipment Manufacturer • Political	• Equipment Repair, Inability to Provide Top Quality Care, Employee Morale, Credibility Loss, Training to Soon. • Had to Sell Idea, lack of Peer Support, Lack of VP Support	• Frustration • Frustration, Anger
Manager	• Division Restructure • Physician Termination	• Political • Political	• Had to Sell Idea, Credibility Loss, Physician Relations • Continuing Daily Operations, Communication, Inability to Plan	• Frustration, Ineffectiveness • Frustration, Anxiety

Table 1
EXAMPLES OF & RESPONSES TO DELAYED ORGANIZATIONAL CHANGES

ORGANIZATIONAL LEVEL	EXAMPLE OF CHANGE	REASON FOR DELAY	PROBLEMS	FEELINGS
Executive	•Restructure	•Political	•Board Management, Communications, PR, Physician Relations	•Anxiety
	•Downsizing	•Political	•Executive Sabotage, Board Management, Employee Relations	•Determination, Anxiety
Executive	•Merger	•Political/Operational	•Operational, Communication	•Frustration, Loss of Control
	•Purchasing Centralization	•Procedural/Political	•Customer Service, Staff Morale	•Frustration, Anger
Executive	•Psychiatry PHO	•Political	•Communication	•Frustration
	•Restructuring	•Political	•Secure Buy-In, Communication, Employee Support	•Anger
Executive	•Role Change	•Political	•Inability To Plan Role Uncertainty	•Frustration, Lowered Self Worth
	•Department Expansion	•Political	•Inability To Plan, Buy In	•Frustration
Executive	•Compensation	•Political	•Communication, Peer Relations	•Disappointment, Conflict, Frustration
	•Program Review	•Political	•Peer & CEO Relations, Communication, Employee Relations	•Frustration, Disappointment, Anxiety
Executive	•Compensation	•Political	•Communication, Peer Relations, Management Credibility	•Frustration
	•Restructure	•Political	•Program Fragmentation, Customer Service, Credibility	•Fear, Sabotaged, Unsupported

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Organizational leaders, are accountable for facilitating this process.

Many organizations today involve employees in planning change efforts. The additional support and enthusiasm for the change often generated as a result of the process may be compromised by delay. Employees experiencing delay in an organizational change mix facts with feelings in determining what the event means. (Isabella, 1990). The successful management of change inevitably includes the management of delay. Understanding and managing individual and collective reactions to delay is an integral part of leadership.

History and leadership credibility are two vital factors in the successful management of communication regarding delay. At all levels, study participants expressed a desire for clear, honest, and direct communication of the reasons for delay, next steps and their specific roles. While participants recognize the impossibility of anticipating every plan detail, they do expect competent management and see planning as a management function. Delay which is viewed as unnecessary has the potential to severely damage individual and collective management credibility.

Company survival today depends upon courage and imagination. Business leaders and employees do not question that their organizations need to change in order to be successful. The implementation of change is rarely a smooth process. Delay can cause frustration, anger and anxiety. It can have potentially serious productivity and morale ramifications. Yet it can also provide much needed time to reflect, surface new information and facilitate understanding. Proactive planning and clear, consistent communication are two key ingredients to the successful management of delay in the organizational change process.

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Journey from Satisfaction to Performance: Becoming a World-Class HRD Business Partner

Timothy R. McClernon

The training department of a large national health care company is in transition from a traditional role as a training and development support function to becoming a valued human resource development process. Evaluation of its success has changed from measuring satisfaction and learning with training received to measuring actual business performance impact. The purpose of this paper is to overview parts of this journey by sharing aspects of the transformation.

Traditionally, training and development departments have focused on improving skills, knowledge, and attitudes of individuals by measuring individuals' satisfaction and learning with training events. This has often resulted in training being viewed as an optional or wasteful activity by their business partners and clients. What is required to transform training into an equal, value-added, critical business process within the organization?

Recently having accepted a position to lead a training and development effort within a large (25,000+ employees) national company, answering this question has become a burning issue. Senior management recognized that training and development was not accomplishing the objectives required to support the organizations' aggressive growth and change requirements. Yet, they did not understand exactly how they wanted to change or develop the focus. Something new was required.

What is this something new required from the training and development department to assure the success of the organization into the future? What is training and development's role in the transformation process to make the organization's vision real? This is the journey from satisfaction training to performance improvement, from training and development to human resource development. It has been and is a process of re-engineering a new HRD vision, mission and structure and implementing the changes and actions necessary to transform training and development into an equal business partner, critical to the achievement of the organization's strategic imperatives.

The journey begins with an assessment: Where are we now? Where are we going? What are we interested in accomplishing that we have not accomplished before? Next we plan an itinerary: How are we going to make the journey? How much will it cost? What are the sights we will see? In this situation, we have already left on the journey. The questions are being asked as we are traveling. So much for planning. Who is planning this trip anyhow? Who are our travel companions? How do we pay for this journey? Do we spend our own money or do we get our money from someone else? If we embark on this journey what do our sponsors expect in return? This paper will address some of the issues faced in one organization's attempt to transform itself to meet the requirements of its business environment. Maybe this journey is about coming-of-age, of growing-up, of self-discovery, of HRD becoming an adult partner in the leadership of our organizations.

Where to start?

In this organization, the training efforts were distributed across a number of different functions and levels. A new team was formed to merge these various training activities under one umbrella: product training with sales training with technical training with operations training efforts. This new "team" has started the journey to becoming a performance-based human resource development effort.

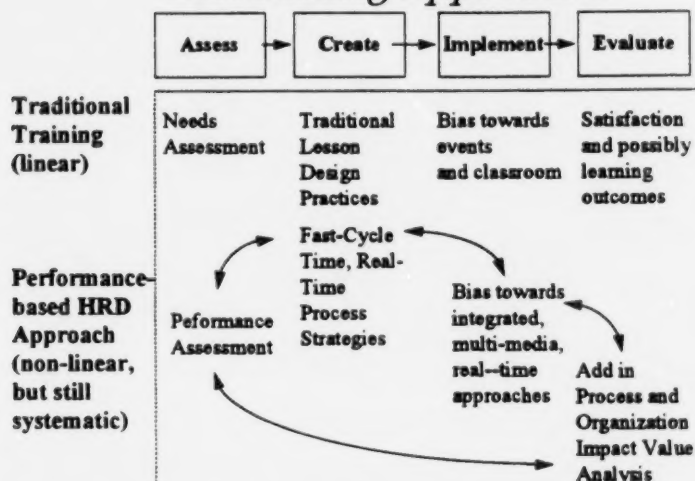
Our vision is to impact business initiatives resulting in:

- achieving customer/provider satisfaction
- dominating market share
- maximizing profitability
- promoting a culture of winning with highly motivated, well-informed, diverse associates with efficient, effective human resource development (HRD) interventions.

This vision used the language of our corporate strategic initiatives.

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Contrasting Approaches



The trainer's role is moving from one of meeting planner and event-based designer to one of a business performance consultant, operating as a member of a multi-disciplined team representing home office management, field position management, compensation, recruiting, information systems, and business systems. Each person at the round table is an equal partner committed to improving performance.

A Stop on the Journey: Movement from event to process

An example of the performance-based approach to training is outlined in the following diagram showing a curriculum for new sales hires. From the beginning, the training is based on performance measures as opposed to learning objectives. This is a dynamic, if subtle difference. Performance-focused training is integrated with other aspects of the performance system, i.e., management, compensation, information tracking, quotas, etc. Satisfaction-based training is focused on how to deliver and develop the training. How does this happen?

A well-done, traditional approach to developing this training would assess the new hires training needs based on input from managers, people in the position and other sources. The outcome of the assessment would list various training objectives tied to content areas to be delivered over time. The assessment of this learning would be based on how well individuals learned the skill or knowledge addressed in each aspect of the training. An example of such an outcome, outlining at the broad level the recommended training approach to new sales hires, is shown in the following diagram:

consideration of performance-based tools such as are outlined in Analysis for Improving Performance: Tools for Diagnosing Organizations & Documenting Workplace Expertise by R. A. Swanson (1994) and Improving Performance: How to manage the white space on the organization chart by G.A. Rummier and A.P. Brache (1990). A basis for conducting a performance analysis is shown in the following diagram. The primary focus of training and development has traditionally been in the expertise/individual box. As shown in the model, many other factors affect performance. Yet, traditional training and development practices have failed to directly address the implications of these other factors, relegating them to other functions within the organization. If we expect managers and employees to assume a partnership role in training efforts, it is time for human resource professionals to assume a partnership role in non-training efforts.

Performance Analysis Matrix

Performance Variables ↓	Performance Levels ↓		
	Org.	Process	Ind.
Mission/Goals			
Systems and Tools			
Capacity			
Motivation			
Expertise			

(based on Swanson, 1994)

How are we going to make the journey?

What does it mean to run a performance improvement team versus a training and development department? It means a redefining of our role in understanding the business as well as re-engineering of our internal processes. It means having an approach to our work grounding in a theory-based approach. Our work should be based on submitting our efforts to the rigor of scientific inquiry and to test its impact and results.

We have been redefining how to balance the use of external and internal resources. Due to time constraints requiring short term results, we are developing strategic partnerships with key vendors, rather than only building internal capabilities. We are not just buying programs, we are building relationships so that vendors begin to operate much as internal resources would operate: knowing the business, customizing applications, assisting in scheduling and evaluation efforts.

We have been developing strategic partnerships with external sources for providing distance learning and computer-based training. Breakthroughs in technology provide a basis for creating more real-time, cost-effective approaches to each of the traditional aspects of training: assessment, design, development, implementation, and evaluation. One of the key questions we focus on is how to re-engineer the training process to meet the current organization's performance requirements. For example, traditional needs assessment processes fail to provide data required for a broader performance-based approach. Often, traditional needs assessment approaches required the application of fast-cycle time technologies to be completed in a realistic time frame. The following diagram provides a framework in which to assess the capabilities required for the newly designed performance consulting team. Already we have crunched design and development into a single creation phase. In real life, the linear model is dynamically applied resulting in parallel activities. Caution is required such that assessment and evaluation are not simply removed from the process in an attempt to speed it up.

Proposed Training Process for New Sales Hires		
Phase 1: Basic Training	Phase 2: Field Training	Phase 3: Knowledge/ Skills Enhancement
(1 month)	(2-3 months)	(6 months)
<i>Competency Areas:</i>	<i>Competency Areas:</i>	<i>Competency Areas:</i>
Product Knowledge: Approach	Product Knowledge: Approach and Features/Benefits	Product Knowledge: Operations and Internal Processes
Company Knowledge	More Company Knowledge	More Company Knowledge
Marketing Techniques	Compensation and Activity Planning	More Activity Planning
Sales Process: Steps 1 & 2-Qualifying and Interviewing	Sales Process: Steps 2 to 4: Interviewing, Presenting and Closing	Sales Process: Entire Process

What are the assumptions driving this process and outcome? Fundamentally, I believe this outcome is produced out of the mindset of a training department focused on providing satisfaction and learning. Most likely it is also the mindset of the clients (people receiving the training and managers). This is not bad, indeed if it is done well, represents a major improvement for much of the training delivered in today's organizations.

How would a performance-based HRD professional approach this same situation? The initial focus would be on sales performance and the sales activities influencing that performance. Next he or she would attempt to understand how information collection systems, management approaches, compensation systems, and external marketing factors influence this performance. Then, as a business partner, he or she would create a training process designed around this profound knowledge of the new sales hires' performance that integrates all aspects of the factors influencing performance. An example of this approach is outlined in the following diagram.

As an individual enters the organization, he or she will receive training on an ongoing basis. The first twelve months of this training is outlined in the following diagram, much as in the first approach. To continue in their position as well as to continue receiving a training investment, new hires are required to achieve certain measurable performance outcomes (the second line in the diagram). These performance measures are the minimum requirements necessary to continue in the position and not be fired. In addition, they are the factors the managers use for developing and monitoring new sales hires' activities on the job. This is in contrast to beginning with the required competencies, intuitively suggesting that they are based on unspecified performance requirements as done in a more traditional approach.

Training is outlined by focusing on the partnership between the individual, manager, and home office roles in the development process. The process as well as the delivery method is built on the individual owning and directing their own progress.

Even the time frame outlined at the top is only a guideline. As the program is internally built on the demonstration of competencies through performance, time on the job is less a factor than progressing through demonstrating competencies. If appropriate delivery methods and schedules are created, an individual could progress as fast as they desire through the performance-based system. Experienced individuals achieve or surpass quotas faster.

Another aspect of this performance-based program is the use of guides. The guides provide a total "bible" or reference source of information, skills and resources required for success during the new person's first year on the job. They serve as a road map for achieving the performance desired.

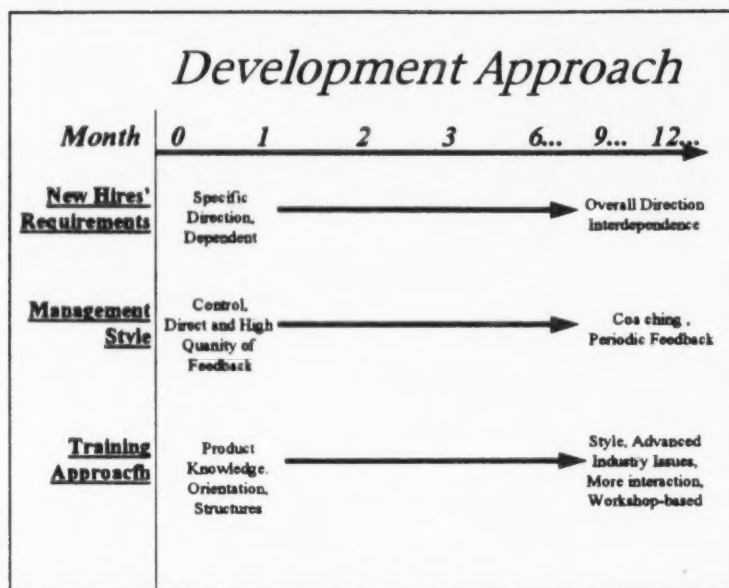
The guides suggest self-study, activity-based, computer-based, and video-based activities for the new sales hire's development. By using the guides to direct knowledge acquisition using self-study and local in-office resources, more expensive, face-to-face group training can focus on skill development and practice. The manager's guides specify the manager's role and responsibilities in supporting, reviewing, and assessing the new hire's progress.

<i>New Hire Sales Training Process</i>						
Performance Criteria	Get License	# cold calls # apts. # prop's	# cold calls # apts. # prop's	50% quota	85% quota	
Approx. Time in mo.'s	0	1	2	3	6... 9... 12...	
Individual Self-Study	Pework Guide	Guide 1	Guide 2	Guide 3		
Managers' Activities	Mgr. Pework Guide	Mgr.'s Guide 1	Mgr.'s Guide 2	Mgr.'s Guide 3		
Home Office Training		Basics: Selling Skills & Products	Intermediate Selling Skills & Advanced Knowledge	Advanced Client Interaction Skills		

Critical to the success of creating a performance-based human resources effort is re-defining the role of a trainer into one of performance consultant and business partner. A business partner is someone committed to bottom-line results and is a student of the business, processes, and market factors impacting results. A performance consultant means understanding the important factors affecting performance at the organization, process and individual levels.

Performing an in-depth performance analysis will greatly assist human resource professionals in creating the credibility they seek in working as an equal with other business partners. An outcome of this example was the creation of a performance-based management system that influenced behavioral-based hiring guidelines, compensation, data-collection at the local and corporate levels, and a "backbone" for developing and implementing the training process for managers, existing employees, and new hires. During the performance analysis, key activities were identified that influence the primary outcome of sold cases: prospecting, initial appointments, collecting information to deliver proposals, presenting proposals, following-up to close proposals delivered, internal implementation of a sold account, and enrollment. Observable and measurable data can be collected to assess the effectiveness and quantity of each of these activities. This became the common thread linking each of the partners supporting the selling process. Imagine the value attributed to the human resource professional who received much of the credit for creating this simplified approach to performance management. That is what it means to become a business partner.

In addition to basing the training on a performance management system, a development approach is incorporated into the training curriculum design. As a new hire moves through the process, developmental needs change. The style of the manager as well as the needs of the individual change, requiring different human resource development methods and tools. Initially, the new hire needs considerable control and direction, which decrease over time. A performance-based manager can adjust accordingly. The training changes from an initial directive, scripted, simple basics approach, to focusing on a more versatile, individual-style, advanced concepts approach. This is outlined in the following diagram.



Implications of the performance-system were used to create and improve the training process for existing sales people and leadership development for the managers.

Evaluation and Value Analysis

Because of the focus on performance variables from the beginning, it is easier to assess the value of HRD on outcomes. Traditional measures of satisfaction and learning at the individual level are still important. Unsatisfied clients and trainees would still be a problem in a performance-based approach. What is key to a performance-based system is that the performance impact be assessed at the process and organization levels as well.

Conclusion

Some of the changes involved in the journey from a satisfaction-based training department to becoming a performance-based human resource development team are summarized in the following table.

<i>Satisfaction-based Training</i>	<i>Performance-based HRD</i>
Training and development department	Human resource development process
Learning Objectives	Performance objectives
Trainee focus	Organization's bottom-line focus
Needs assessment (focused on training needs)	Performance assessment (focused on variables affecting business results)
Satisfaction, measures, possible learning measures	Organizational financial impact measures
Trainer	Performance improvement consultant
Trainee	Performer
Continuous Process Improvement	Process Re-engineering
Large internal training department	Strategic external partnerships for key projects and capabilities
Continual change	Transformation
Traditional training models, processes	Real-time, fast-cycle time training models and processes
Events	Self-directed on-the-job learning approaches over time
Training's role	Partnership between individual, management and performance improvement team
Bias towards classroom style training	Bias towards new technologies allowing self- paced, real-time, on-the-job development
Primary focus on individual trainee	Integrated curriculum addressing performance team: manager, performer, and operations partners

We are just beginning to become a performance-based human resources development team. As we inquire into what it means to improve our training and development efforts, we are convinced that it is based on a re-engineering of our internal process as described. The implications of our efforts are influencing every aspect of this sales effort. Our journey has meant going beyond the satisfaction-based and learning-based approaches we used in the past. It promises to be an exciting journey in which HRD is viewed and treated as an important value-added business process accountable for producing bottom-line results.